# The Economic Thinking of Soviet Military-Industrial Leaders: Ustinov and Ryabov

An Intelligence Assessment

**Top Secret** 

RP 79-10005CX January 1979

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Approved For Release 2008/09/15: CIA	\-RDP08S01350R000100120001-3	
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# The Economic Thinking of Soviet Military-Industrial Leaders: Ustinov and Ryabov

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**An Intelligence Assessment** 

The author of this paper is USSR Division, Office of Regional and Political Analysis.

Comments and queries are welcome and should be directed to

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The Economic Thinking of Soviet Military-Industrial Leaders: Ustinov and Ryabov	t	25X
Key Judgments		
The complexion of the leadership of the Soviet 'military-industrial complex" changed in 1976 when Dmitriy Ustinov became Minister of Defense and Yakov Ryabov succeeded him as party secretary for defense industry. The leadership is now less institution ally ingrown and richer in experience and breadth of interests.	An effort on their part to get "more bang for a ruble" would not necessarily detract from military strength, but it presumably would entail ever more careful calculation of military needs and costs.  The evidence, while insufficient to forecast what future policy positions these leaders will take, does suggest that they cannot be counted on to respond to economic-	
Ustinov and Ryabov have both expressed views on economic issues that could conflict with the narrow hear-term interests of the military and defense industry establishments they now head. They have shown a elatively high degree of concern and sophistication or nuestions of efficiency and management and some ecognition of the need to meet welfare and consumer needs. In addition, Ryabov has advanced a broad range of ideas on economic development and management that distinguish him from Ustinov.	n	25 <b>X</b>
n terms of both the nonmilitary aspects to their areers and the breadth of their economic interests, herefore, Ustinov represents an advance over Andrey Grechko as Minister of Defense, and Ryabov an dvance over Ustinov as Party Secretary.	, ·	
Particularly in an economic squeeze, both leaders are ikely to recognize interests that go beyond immediate nilitary needs, including the requirements for general conomic growth and modernization, and may be more	l	

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Approved For Release 2008/09/15 : CIA-RDP08S01350R000100120001-3 Top Secret 25X1 The Economic Thinking of Soviet **Military-Industrial Leaders:** Ustinov and Ryabov 25X1 Introduction Economic constraints and national ambitions will face views of some of the other more junior leaders. the Soviet leadership with difficult choices in economic including Ryabov. Dolgikh's views are discussed in the and military policy in the years ahead. To remain 25X1 annex to this paper. dynamic, the Soviet economy must master a more complex stage of development while overcoming prob-The paper first summarizes the economic issues facing lems of scarcity and costs that make the old growth the leadership during the 1980s. It then examines the strategy ineffective. The leadership must decide how backgrounds and economic thinking of Ustinov and much effort to expend in trying to attain a competitive Ryabov. Finally, some generalizations are advanced position in the economic sphere that will match its concerning their possible approach to economicperformance in military competition with the West. 25X1 military issues in the future. Some leaders may even begin to question whether the Soviet Union can maintain its present military, particularly its relative strategic strength, if it does not The Economic Context make rapid progress in modernizing its economy. Policymakers will continually face the dilemma of The long-term slide in Soviet economic growth rates whether to emphasize economic activity that most promises to continue. It is estimated that the growth of directly contributes to military might in the near term, GNP will average about 4 percent a year through 1980 or economic growth and modernization that will and roughly 3 percent in 1981-85. This reflects in part provide a more reliable base for military strength in the the decline in growth in the productivity of labor and 25X1 longer term. capital since the 1960s. It also reflects the fact that the Soviet economic environment is changing from one With this policy dilemma in mind, this paper examines marked by a relative abundance of growth factors to the background and what is known of the economic one characterized by a relative scarcity of growth thinking of two representatives of the "militaryfactors. Already in this five-year plan (1976-80), new industrial complex" in the Soviet leadership—Minister fixed investment is slated to rise at less than half the rate of the last 15 years and below the rate of growth of Defense Ustinov and party secretary for defense industry Ryabov. Both moved into their present planned for GNP. The cost of raw materials is positions only two years ago. The 70-year-old Ustinov increasing; and in the case of crude oil serious sits on the Politburo and the Defense Council; the 50shortages are foreseen in the 1980s. Finally, a year-old Ryabov probably sits on the Council. While slowdown in labor force growth that began in 1978 is these officials do not alone determine economicexpected to drop to less than 0.5 percent by the midmilitary policies, they certainly have much to do with 1980s. 25X1 the presentation of the interests of the military and the defense industry in leadership councils and how they These constraints mean that it will be both more are related to other economic needs. necessary and more difficult to balance military needs and needs of the economy. It will become harder to Another participant in this process is likely to be party isolate development of the military and the defense industry from development of other major sectors of secretary for heavy industry Dolgikh. His sector, at least in part, may be considered a component of the the economy. At the same time competition for the "military-industrial complex." Although Dolgikh is country's resources will increase between economic

and social needs and needs of the defense establish-

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ment.

not new in his current post, he is, at 54, one of the

younger members of the leadership and shares the

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Heavy industry will not be able to stand apart from the competition, as witness the recent downturn in the investment growth rate. The military's traditional first call on advanced technology and top scientific, technical, and managerial talent will increasingly conflict with the needs of an economy that must secure its growth through productivity gains from the application of intensive and qualitative factors. The requirement at this stage for a more sophisticated and productive labor force adds urgency to improving living conditions and increasing material incentives to promote economic growth as well as to placate Soviet consumers. The tightness of the labor supply will make consumer demands all the more difficult to ignore, and there are already signs of debate over allocations for consumer goods production under the next five-year plan.

As a consequence of changing conditions, Soviet economic thinking is slowly shifting from a "moremore" mentality to a recognition of the importance of economizing and an understanding of the economic constraints that now determine how progress can be made. This could foster a more critical assessment of the size and application of the resources now commanded by the military and the defense industry.

This study assumes that Minister of Defense D. F. Ustinov and party secretary for defense industry Ya. P. Ryabov are committed to securing priority treatment for the institutions over which they preside. It also assumes that their experience in and comments on economic affairs can offer some indication of how they might act in a situation of growing economic stringencies and competition between economic claimants, when choices must be made between narrow or broad, near-term or long-term goals and strategies. This examination focuses on the background of the two men, their particular interests, and their general approaches to economic problems.



Minister of Defense D. F. Ustinov

#### Ustinov

Ustinov is, first of all, an economic manager, albeit one with great knowledge of and close ties to the military. His long experience in supervising defense industries stands in contrast to the professional military careers of the ministers of defense who preceded him.

Between 1941 and 1957, Ustinov held a post comparable to that of minister of defense industry today. He was Deputy Premier for defense industries from 1957 to 1963. Then, as First Deputy Premier, he served for two years as chairman of the USSR Supreme National Economic Council (V.S.N.Kh.) before resuming supervision of the defense industries, this time in the Party Secretariat, in 1965. He became Minister of Defense in April 1976 following the death of Marshal Grechko.

Although he was in the specialized defense industry field early in his career, Ustinov rose high enough on the administrative ladder to become familiar with differing pressures and broad economic issues. As Deputy Premier after 1957, he was a member of the Presidium of the Council of Ministers where broad economic policy issues were dealt with. Ustinov's job as defense overseer on the Secretariat and his candi-

<sup>1</sup> Ustinov's role as head of the V.S.N.Kh. has remained obscure, but theoretically he provided overall guidance to industry and construction and coordinated the work of Gosplan and other planning organizations.

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date membership on the Politburo had already given			
him over 10 years of experience as a member of leadership bodies before he became Defense Minister.			
Grechko, on the other hand, did not gain leadership			
status until he was appointed to the Politburo in 1973,			
six years after he became Defense Minister		25 <b>X</b> ′	
As party secretary, Ustinov spoke and published far			
less on economic topics than Ryabov did as an oblast party leader. Most indications of his economic think-			
ing, therefore, come from reports on his attitudes and			
from his statements on military and political questions			
after he was named Minister of Defense.		25X1	
Ustinov is reported to be a forceful and effective			
manager who, like Kosygin, has command of detail and is familiar with affairs at the production level.			
and is familiar with affairs at the production level.			
	Ustinov's performance as Minister of Defense tends to	25X1	
He apparently is interested in modern cost-effective-	support the thesis that he brings a broad and somewhat		
ness and systems analysis methods in management. An	unconventional perspective to the job. Although citing		
advocate of such management techniques, Nikolay	the need for strengthening military capabilities, he has asserted that the military now has adequate equipment		
Ogarkov, was appointed chief of the General Staff within a year of Ustinov's arrival at the Defense	and that what is needed is better utilization of that	25X1	
Ministry. In his Lenin Day speech in April 1973,	equipment and improved readiness. Writing in	20/1	
Ustinov made a by then rare reference to the economic	Kommunist vooruzhennykh sil, No. 21, October 1977,		
reform of 1965 and referred favorably to the use of	Ustinov stated that "task No. One" is to learn how to		
economic methods, automated management systems,	get the maximum combat potential out of modern	7	
and an experiment in financial autonomy	weapons and equipment.	25X1	
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Ustinov has also linked the problems of morale and discipline with those of living conditions. On 19 December 1977 he opened an all-army conference on improving the troops' living conditions—the second such conference ever held.<sup>2</sup> He explained at the conference that military technology and changed work conditions require better living conditions. This argument closely parallels the justifications Brezhnev offered for the consumer program in the Ninth (1971-75) Five-Year Plan.

Ustinov has consistently backed Brezhnev's detente policy and has seconded his statements on military policy. In his speech in February 1978 commemorating the 60th anniversary of the Soviet Army and Navy, Ustinov strongly endorsed detente, singling out the Strategic Arms Limitations Talks and the Mutual and Balanced Force Reduction negotiations as particularly important for arms control. He has also repeated recent statements by Brezhnev that, if required, the Soviet economy, science, and technology are capable of quickly producing any weapons developed by the West, that the USSR spends only as much as is necessary on defense, and that the country has never aspired to. military supremacy for the purpose of inflicting a "first strike." These formulations appear to deny the need for any extraordinary expansion of weapons programs.

In sum, Ustinov appears less likely than Grechko to look at military wants—both hardware and personnel—solely from the point of view of what the military would like to have. He is more likely, also, to see these questions in terms of what the defense industry and the economy are able to provide, with greater consideration given to technological difficulties and economic costs. He should also be more aware of the importance of the development of the economy as a whole to the vigor and potential of the defense industry. And Ustinov seems more inclined, despite his interest in technology and weapons, to pursue military strength by looking beyond weaponry and force levels to questions of doctrine, utilization, and morale. His leadership experience equips him well to politick on behalf of his institutional interests, but it also has

<sup>2</sup> The first conference occurred in June 1962, with Grechko, then First Deputy Minister of <u>Defense and Commander</u> in Chief of the Warsaw Pact, presiding.



Party Secretary for Defense Industry Ya. P. Ryabov

probably given him an appreciation of the interests of other groups and of the necessity for compromise.

#### Ryabov

Ustinov's 38 years in Moscow as supervisor of one of the most centralized sectors of the bureaucracy are in striking contrast to the background of his successor as party secretary responsible for defense industry. Yakov Ryabov made his entire career in Sverdlovsk Oblast, serving as party second secretary from 1966 to 1971 and then as first secretary until his transfer to Moscow in October 1976. He is in part a product of the party's personnel policy in the Brezhnev years, which has

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emphasized stability, orderly promotion within a regional hierarchy, and little cross-posting. Ryabov has an engineering and industrial background, and his former region is one of the country's major industrial centers, with defense and heavy industry predominating

Such a background might be expected to engender a somewhat different outlook on economic questions than produced by a career at the center. Indeed, during his leadership of Sverdlovsk, Ryabov became a spokesman, and his oblast a model, for innovative and aggressive regional approaches to economic management. For these approaches they attained national publicity second only to Leningrad Oblast and its first secretary, Romanov.

In the 1960s, under Ryabov's predecessor, Sverdlovsk became known for the application of a program for the scientific organization of labor (NOT) in its enterprises. This effort, exemplified by the use of time and motion studies, soon focused attention on a host of factors affecting production efficiency, including technology, training, and working conditions. NOT was a logical antecedent to the economic initiatives that proliferated in the oblast in the 1970s under Ryabov's stewardship. The common elements in these programs and some themes prevalent in Ryabov's statements are examined below in order to clarify the economic thinking that Ryabov has brought to his job in the Secretariat:

- In 1970, the oblast party committee initiated the formulation of a plan, subsequently approved by Gosplan, for the specialization and coordination of machinebuilding enterprises in the oblast for 1971-80.
- In 1972, the Central Committee approved Sverdlovsk's program to increase the output of existing enterprises by reconstructing and improving technology with a minimum of capital investment.
- · Leningrad and Sverdlovsk were the first oblasts to elaborate long-term (to 1990) comprehensive plans of development. Work on the Sverdlovsk plans received Central Committee approval in 1973.

- At the start of the last three five-year plans the oblast held conferences on how to introduce advances in science and technology into the economy.
- The Sverdlovsk city party committee has created an institute of management, where enterprise directors, chief engineers and chief economists, and city party workers are enrolled in two-year courses.

Clearly, Ryabov has emphasized a strong party role in economic management. Most of the touted Sverdlovsk programs have been attributed to party committee initiatives, and institutional arrangements have been made to facilitate their supervision by the party. Formulation of the long-range comprehensive plan has been conducted by a council for planning under the oblast party committee. Branch commissions attached to the oblast party committee were created to approve reconstruction plans in the last five-year plan, and city party committees formed councils to coordinate and conduct reconstruction at city enterprises. Problems of management, welfare, and labor resources are addressed at scientific-technical councils attached to city and district party committees.

As the creation of these councils suggests, Ryabov has also advocated a collegial approach to decisionmaking and reliance on the advice of specialists. He has frequently criticized leaders, both central administrators and local party officials, for acting on their own without consultation. Sverdlovsk's economic programs have had a heavy input from specialists. Ryabov edited a 1974 book on Sverdlovsk's comprehensive plan along with the head of the Urals Scientific Center's Economic Institute, which guided the development of the methodology for the formulation of the plan.

The plan itself illustrates Ryabov's belief that develop- 25X1 ment must be fostered by a comprehensive regional approach to planning and management that meshes the activities of various sectoral organizations and takes into account local conditions. The goal is to achieve more efficient and balanced development by coordinating the activities of different sectors, provid-

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ing adequate infrastructure and social facilities and services, taking into account and improving labor resources, and better utilizing local material resources. The use of economic indicators and modeling is aimed at providing a range of options as the basis for making rational decisions.

Criticism of the central governmental bureaucracy runs throughout Ryabov's statements. Many of the Sverdlovsk programs impinge on the interests of the central bureaucracy, which adds to the normal points of tension between Moscow and provincial authorities. Ryabov has frequently criticized Gosplan and central ministries for not adequately supporting reconstruction programs, for propagating poorly balanced plans that do not guarantee needed inputs, for ignoring the adequacy of infrastructure and local material and labor resources, and for resisting efforts to reorganize the management of local enterprises. He has charged that the main administrations of the ministries are too far from production units, and he has attacked plans to organize in Moscow an all-union association whose product would be produced chiefly in Sverdlovsk. In defending his position, he has cited the provision in the 1973 decree on associations which provides that even all-union administrative units will be located in the region where the sector's major production activity takes place.

In fact, in 1974 Ryabov appeared to side with General Secretary Brezhnev in a public dispute with President Podgorny over the organization of economic management. His statements can be read as backing an argument for reorganizing the government bureaucracy in order to provide unified management over narrow sectoral ministries and to increase regional control, particularly on a party basis. Such a position is certainly in harmony with most of Ryabov's other commentary on economic issues.<sup>3</sup>

At the Central Committee plenum in December 1973, Brezhnev called for a "unified comprehensive set of measures" to improve the "entire economic mechanism" and counseled that such questions demanded a "party approach" rather than a "narrow economic" or "technocratic" approach. Later the same month Podgorny defended the record of the "sectoral principle of industry" and declared that "no radical reorganization of the existing system of management is involved." This, together with other evidence, suggests that Brezhnev was supporting a reorganization that would consolidate management of ministries and perhaps strengthen regional management. Still later, in a speech in June 1974, Podgorny berated local officials for turning to higher authorities in Moscow with problems that they

Although Ryabov has not been a particularly vociferous advocate of the consumer goods industry, welfare measures have figured significantly in his programs, and he pioneered incorporation of such measures in the comprehensive plans for the Sverdlovsk region. One aim of these comprehensive plans is to coordinate economic and social development and to raise targets in the latter category to the status of the traditional production targets. In Ryabov's book on long-range comprehensive planning, he listed only two goals for such planning: (1) raising the effectiveness of production and the growth rate of labor productivity, and (2) raising the population's standard of living.

Ryabov consistently evinces a cost conscious approach to the questions he discusses. The aims of the longrange comprehensive plan, as noted above, are stated in terms of efficiency and productivity, not in terms of scale. Before many others, Ryabov seems to have come to an appreciation of the limitations that must be dealt with in devising economic policy. He has noted that Sverdlovsk, although it enjoys a high concentration of heavy industry, has limited labor resources and much old plant. The NOT approach to labor organization, specialization, and reconstruction programs were designed to cope with these conditions. Ryabov also has a passion for calculating the effect of the measures adopted, often in terms of savings realized. Thus, he notes that in the Ninth Five-Year Plan (1971-75) reconstruction saved the oblast 600 million rubles in comparison with the costs of new construction, and that, by 1980, improved management structures could free 85,000 employees—"not a small supplement taking into account the tautness of the balance of labor forces in the Urals economic region."

themselves could solve if they worked in the proper manner. Although larger organizational issues were not explicitly addressed, the implication of Podgorny's remarks was that the administrative system was not to blame—only the behavior of local officials. An unmistakable riposte was delivered by Ryabov in an article in *Pravda* the next month. He cited examples where local party committees were forced to intercede in Moscow because of the shortcomings of the central ministries. One of the examples involved an organizational change being resisted by ministerial officials. Ryabov closed the article by stating that "establishment of a genuine party style of work is indissolubly linked with perfecting the mechanism of leadership of the economy."

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Overall, Ryabov's approach to economic management may be categorized as *progressive*, if not reformist. He coauthored, with a member of the Sverdlovsk Institute of the National Economy, a book on the application of the economic reform in the oblast in 1971, just as the topic was disappearing from national discussion. He has supported the follow-on phase to the reform, the amalgamation of enterprises into associations operating on cost-accounting principles. His interest in management institutes, automated management systems, and the use of economic-mathematical methods in modeling regional development also reflects a progressive turn of mind.

In many ways Ryabov's position has now radically changed, and his previous behavior offers no simple and direct guide to how he will act in his new assignment. It does, however, suggest some broad tendencies that are likely to continue in his approach to economic issues.

First, although certainly sympathetic to defense interests, Ryabov appears likely to exercise a relatively detached, objective, even a critical faculty in judging the requests and programs of the military and the defense industry. Unlike Ustinov, he is not an alumnus of the ministerial bureaucracy that he now oversees from his party perch. Moreover, he has spent his career exposing the faults and criticizing the operations of central government institutions.

Second, this critical faculty is likely to be reinforced by Ryabov's understanding of economic limitations and by his seemingly genuine interest in efficiency and savings, measured in terms of rubles and kopeks. A leader who would advocate more renovation in his region at the expense of new construction projects is likely to manifest an equivalent kind of "objectivity" wherever he is posted. Ryabov is also likely to look to management tools and organizational measures—

rather than just more inputs—to meet the needs of the defense industry.

Third, Ryabov should understand and perhaps at times try to accommodate the needs of other economic sectors and social purposes. This assumes that at least some of his devotion to comprehensive and long-term planning on the regional level will be retained in his approach to national issues. If so, he would be apt to see the need to coordinate the development of the defense industry with progress in other economic and social areas. His advocacy of long-term planning would indicate a willingness to take longer term prospects into consideration and, perhaps, on their account to modify more immediate goals.

#### **Conclusions**

Since 1976 the military and the defense industry have been led by individuals who are not products of those institutions, however close or sympathetic their relationships have been. While undoubtedly devoted to defense, Ustinov and Ryabov should feel less allegiance than their predecessors to the institutions they now head. These changes in leadership have not been a matter of replacing an in-house professional with one from a different but equally specialized field. Ustinov and Ryabov have brought related, but broader, experience to the positions they now occupy. In terms of the nonmilitary aspects to their careers, therefore, Ustinov represents an advance over Greckho, and Ryabov and advance over Ustinov.

Moreover, these leaders have expressed views that could conflict with the narrow, near-term interests of the military and defense industry establishments they now head. Ustinov appears to be particularly conscious of costs and committed to maximizing the effect of inputs to the military, not just maximizing those inputs. In the course of his career, Ryabov has formulated a comprehensive concept of economic develoment and policy that looks to the future, embraces all economic and social sectors, focuses in a variety of ways on improving efficiency, and envisages a larger role for regional institutions in planning and management. A "more-bang-for-the-ruble" approach,

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<sup>\*</sup> Ryabov's espousal of reconstruction was not totally disinterested. On the national level, such an emphasis tends to favor the long-developed western regions, such as Sverdlovsk. over the newly developing regions in the east.

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to which these leaders seem inclined, would not necessarily detract from military strength, but it does suggest a careful calculation of how much bang is needed and how much it will cost.

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In periods of relatively high growth rates and adequate resources, Ustinov and Ryabov would presumably press the cause of the military and the defense industry about as vigorously as their predecessors. Their background and particular interests are likely to make a greater difference, however, in a deteriorating economic situation, when the choice becomes sharper between immediate military programs and long-term economic growth and modernization that will sustain future military strength. In this case, the evidence offers reason to believe that leaders such as Ustinov and Ryabov would, to some extent, give weight to longterm prospects and strategies, concede the importance of other sectors and economic growth in general, economize in their own sectors through greater efficiency and scaled-down plans, and, to facilitate all this, quite possibly support detente and arms control.

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These, of course, would not be their only impulses, and how much these motivations might dominate others and influence the policy positions adopted by the two leaders is very difficult to predict. It is important to recognize, however, that Ustinov and Ryabov are likely to be subject to such motivations. At a minimum, this injects greater unpredictability into the future and cautions us not to presume stereotyped, institutional responses from these leaders to economic-military issues.

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#### **ANNEX**

#### Dolgikh

Unlike Ustinov and Ryabov, Vladimir Dolgikh, Secretary of the Central Committee, represents no recent change in the leadership. Furthermore, his heavy industry domain, while closely allied to the defense industry, is not entirely a part of a so-called "military-industrial complex." He should be mentioned, however, because his interest in Siberian development illustrates and personalizes at the leadership level the issues these development programs pose for the defense effort.

Dolgikh came to the Secretariat in 1972 as a son of Siberia and spokesman for its rapid development. He had been first secretary of Krasnoyarsk Kray since 1969 and for seven years before that, director of the Norilsk Mining and Metallurgical Combine. In occassional speeches since his appointment to Moscow, he has reaffirmed his interest in Siberia.

Siberia demonstrates in rather extreme form a problem facing the economy as a whole: the pressures to devote increased attention to living conditions and compensation. Problems evident elsewhere in the country are magnified here by the combination of a sparse indigenous population, a hostile climate, and primitive conditions in much of the territory. Successful long-term development thus requires, in comparison to other areas, more immediate and massive diversion of resources to social infrastructure and compensation.

Dolgikh has recognized and propounded this point. Like Ryabov, he has been a leader in promoting regional planning, having prepared a 10-year (1971-80) comprehensive plan for the kray that received Brezhnev's praise. He has complained not only of the central ministries' poor coordination of production activity in the kray, but also of their failure to provide infrastructure and social amenities along with production facilities. At the 24th Party Congress in 1971, Dolgikh noted that the labor situation was being hurt by the disproportion between production development and the construction of housing and social facilities.



V. I. Dolgikh, Secretary of the Central Committee

Speaking to Western journalists in 1972, he said experience showed that housing and social facilities should be built faster than factories.

The argument can also be made that huge projects, such as the development of Siberia, in many ways compete for resources with military programs. Much of the Siberian development is directed at exploiting raw materials. While reinforcing the base of economic as well as military strength, it does not contribute directly and immediately to the status of military forces. Although many defense officials may favor Siberian development because they see its military value, their support does not obviate the issue that such projects raise for economic and military strategy. This

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<sup>&</sup>lt;sup>5</sup> This argument is developed by Dr. John P. Hardt, "Military or Economic Superpower: A Soviet Choice," in the published proceedings of the 1978 Senior Conference of the US Military Academy on "Integrating National Security and Trade Policy: The United State's and Soviet Union," June 1978.

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presumed support would be, in fact, an instance of the military recognizing, at least in terms of one region, the necessity of investing in general economic develop-	
ment to provide the foundation for military power in the long term.	, 25X1
In the near term, when projects such as the development of Siberia are given a high priority, they raise demands for a full range of material and labor resources, including advanced equipment, imported technology, and skilled labor, that the defense sectors normally have first claim to. Dolgikh, for example, argued at the 24th Party Congress that the most highly productive equipment should be provided first of all to the northern and eastern regions because of the	•
Dolgikh has not expounded at such length on his commitment to defense needs or wants. His clear interest in Siberian development, however, implies that defense demands have a strong contender for Dolgikh's sympathies in his role of overseeing and representing the heavy industry sector. It also indicates a proclivity for thinking in long-range terms and a willingness to make large investments in the present in order to	25X1
obtain a more distant payoff.	25 <b>X</b> 1